



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Medical Assistance
600 Washington Street
Boston, MA 02111
www.mass.gov/dma

Eligibility Operations Memo 03-03
January 1, 2003

TO: MassHealth Eligibility Operations Staff

FROM: Russ Kulp, Assistant Commissioner, Member Services

A handwritten signature in cursive script, appearing to read "Russell C. Kulp".

RE: **Treatment of a Married Couple's Assets When One Spouse is Institutionalized**

Introduction

The Division is revising the way it calculates the amount of assets a community spouse may retain from the couple's total countable assets when the other spouse is institutionalized. Eligibility Letter 97 transmits the revised regulations explaining this change.

1/1/03 Changes

The Division will no longer allow the community spouse to retain the maximum amount of marital assets, which was \$89,280 for 2002.

Effective January 1, 2003, the methodology for calculating spousal assets will change as follows.

- The community spouse may retain half of the couple's combined total assets, not to exceed \$90,660 (which is effective January 1, 2003).
 - If the combined total assets of the couple are less than \$18,132, then the community spouse may retain all the assets.
 - If the combined total assets are between \$18,132 and \$36,264, then the community spouse may retain \$18,132, and the remainder of the assets must be spent on either member of the couple.
 - Any assets totaling over \$36,264 will be divided evenly between the two spouses, up to a maximum asset retention of \$90,660.
 - The institutionalized spouse may always retain up to \$2,000 in assets.
-

**PACES
Calculations**

For applications received before January 1, 2003, PACES will calculate spousal assets using the maximum allowable asset amount, and the old methodology for calculating spousal assets.

For applications received on or after January 1, 2003, PACES will use the new methodology for calculating spousal assets as described above, and the new maximum allowable amount of \$90,660. PACES will accomplish this by “reading” the date found in Block 32 (application date). **Block 32 must always be the “date of application.”** Please ensure that all application dates are coded correctly on PACES.

For applications denied in 2002 for which a reapplication is received in 2003, the new methodology of calculating spousal assets will be used. For these cases, PACES Block 32 will reflect the 2003 reapplication date.

Right to Appeal

The Division is also revising the regulation concerning the right to appeal the asset allowance or minimum-monthly-maintenance-needs allowance. Hearing officers will now have to calculate the income generated by the community spouse’s assets invested in an account generating the highest rate quoted by the Bank Rate Monitor Index, rather than the average rate used in the past.

Questions

If you have any questions about this memo, please have your MassHealth Enrollment Center designee contact the MassHealth Policy Hotline.
